

Written Testimony of
Harry Thomas, Executive Director of the Housing Authority of the City
of Seattle, Washington
and Member of
the Commission on Affordable Housing and Health Facility Needs for
Seniors in the 21st Century
Submitted to the
U. S. House of Representatives Committee on Financial Services
Subcommittee on Housing and Community Opportunity
Regarding
Housing for the Elderly and Affordable Housing Issues
July 17, 2001

Testimony of Harry Thomas, Executive Director of the Housing Authority of the City of Seattle, Washington and Member of the Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century, before the U. S. House of Representatives Committee on Financial Services, Subcommittee on Housing and Community Opportunity

Good Morning, Madam Chairwoman and Members of the Committee.

I am Harry Thomas, Executive Director of the Seattle Housing Authority and a member of the Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century. Thank you for the opportunity to be here today to share with you our views on the difficult problems we face in providing decent housing for low-income elderly and disabled residents of public housing, particularly in light the proposed 18 percent cut to the Public Housing Capital Fund. Specifically, I will address the “Elderly Plus” proposal, which will help bring health-related services, including assisted-living, to elderly and disabled public housing residents, enabling them to age in their homes, instead of costly institutions.

First, allow me to provide some brief background about my work. I have spent 11 years as executive director of the housing authority in Seattle, with additional experience in community-based social service organizations and two-years of service as the Washington State governor’s staff director. The Seattle Housing Authority has been one of the highest performing housing authorities in the nation for many years, achieving a perfect score on its management assessment for several years running. We were also chosen to participate in the Moving to Work Demonstration Program (MTW). We provide housing in Seattle to nearly 23,000 people through a variety of programs—HUD’s Section 8 Housing Choice Vouchers, HUD’s public housing program and a local portfolio of non-subsidized housing. We own and manage nearly 7,000 units of housing. Our portfolio includes approximately 50 buildings housing nearly 4,000 low-income seniors.

I will offer my thoughts today around two main issues:

1. The role of public housing for the elderly and disabled in housing our most vulnerable citizens and the importance of providing sufficient resources to maintain these units; and
2. Strategies for meeting the special needs of low-income elderly and disabled residents, including the “Elderly Plus” which will make it possible for them to remain in housing as they get older. I will use some examples from our experience in Seattle along with my knowledge of how this issue is being faced by my colleagues across the nation.
3. I will also update you briefly on the activities of the Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century, which this committee was principally responsible for creating and is conscientiously supporting. We greatly appreciate that support.

1. Public housing is the largest federally-assisted program housing elderly and disabled, thus it is important that we provide sufficient resources to protect this irreplaceable housing resource.

As you know, the federal government plays an important and much-appreciated role in housing low-income older Americans. Nearly 3.7 million Americans age 62 and older receive some form of housing assistance, through a variety of different programs. The Section 202 program, one of the programs most identified with serving this population, houses nearly a quarter of a million elders across the country. However, it is sometimes overlooked that public housing is the single largest federally-assisted housing program serving low-income elderly and disabled. In fact, about one third of the 1.3 million public housing units in the country house elderly or disabled people. Unfortunately, the projected need for special needs housing is growing rapidly, while resources for modernizing and maintaining this housing stock is shrinking. Unless something changes, this situation could result in a serious crisis in elderly and disabled housing in the coming years.

Between 1980 and 1997, as the overall population increased by 18 percent, the number of persons 65 and older grew much more rapidly—by more than 33 percent. This trend will continue as the Baby Boomers enter this age group. When we add to this the fact that life expectancy continues to increase, we can predict a dramatic increase in the number of Americans 85 years old and older. Not surprisingly, this is the most economically vulnerable group in our entire population. At the same time, the supply of affordable housing, particularly for the very low income, is rapidly evaporating.

In the face of this looming crisis, I believe we should, as a nation, be the best stewards of our existing housing stock that we can possibly be. It is much more cost effective to maintain and modernize this viable housing than to replace it. The existing stock of public housing in this country is valued at over \$90 billion. It represents a significant resource for elderly and disabled Americans, and it is extremely important that we continue to invest as a nation in the long-term maintenance and capital needs of our existing public housing.

I know that many of you have heard this theme recently in discussions regarding the VA-HUD appropriations bill. However, I would do you a disservice if I did not mention the importance of maintaining this valuable national asset. For many of our seniors and disabled, capital improvements to our public housing buildings are not a matter of fresh paint or other cosmetic niceties – they are a matter of necessity. Let me give you a real-life example from our experience in Seattle of how these cuts would affect the lives of elderly and disabled residents.

Don Williams is an elderly resident of Jefferson Terrace in Seattle, a 34 year-old, 17-story building consisting mostly of one-bedroom apartments. Mr. Williams uses a wheelchair and lives on the seventh floor of this building. When the building's outdated elevators were not functioning in early March (due, this time, to Seattle's recent earthquake), the Seattle Fire Department had to come every day to carry Mr. Williams down the stairs and then back up again in order for him to go to ElderHealth and to the grocery store. ElderHealth is an adult day healthcare program where he eats his daytime meals and participates in daily activities. Because he has difficulty preparing his own meals and staying physically healthy, ElderHealth is essential for his well-being. Due to his limited mobility, the building's elevators are his lifeline. Elevator repair and replacement is a key item on our current capital budget in Seattle. If the Public Housing Capital Fund is cut by 18 percent, as proposed in the House VA-HUD mark-up, our plans to make these and other needed repairs in elderly and disabled housing units may be postponed.

2. We must address the special needs of low-income elderly and disabled residents and make it possible for them to remain in their homes as they get older. The “Elderly-Plus” proposal can do this.

There is often a precarious balance which our older and disabled residents experience—a minor injury which sends a resident to the emergency room for medical services may land them eventually in a nursing home because of the lack of in-home services available to them in public housing. Ultimately, subsidizing low-income residents in a nursing home is much more costly than bringing needed services to them in their own homes. Moreover, residents prefer to remain in their homes near family and neighbors, rather than to move to an institutional setting.

Given the age and configurations of most public housing properties, they are unable to adequately house frail residents. Approximately 70 percent of elderly and disabled residents in public housing live in buildings that are between 30 and 50 years old. Many buildings constructed during this period do not conform to the standards set by the Americans with Disabilities Act. Small efficiency units remain functionally inaccessible to residents with physical limitations, and many do not include standard features necessary to accommodate those with physical challenges, such as railings, grab bars and accessible bathrooms. A recent HUD study of public housing modernization estimated the needs of elderly public housing at \$5.7 billion. Preserving the existing stock of low-income housing for the elderly means both maintaining the structural viability of the buildings and modernizing them to better meet the specific needs of seniors and the disabled as they age.

Last year, the House considered HR 4664, a bill to implement the “Elderly Plus Health Support Services Program.” This program would provide grants to selected public housing authorities to upgrade existing buildings to make them ready to provide health-related services, including assisted living, as well as funds for service coordinators and congregate care programs. Public housing authorities would not be the service providers, but rather use the service coordinator and congregate care grants to leverage services tailored to meet the needs of their resident population. In addition to making improvements to the actual apartment units, “Elderly Plus” funds could be used to provide office space for doctors and nurses, congregate dining space, facilities for residents needing physical therapy, social services, and more. By making these buildings “service-friendly”, some housing authorities can pursue Medicaid waivers to ensure that assisted-living or other services can be made available. The initiative is a viable, cost-effective approach to supporting our low-income elderly and disabled residents, as it dramatically reduces federal government spending on unnecessary nursing home care. We expect a revised version of this bill to be introduced shortly in the Senate and hope you will seriously consider re-introducing it in the House.

Already, a few public housing authorities across the country are pioneering innovative models to serve the needs of the elderly and disabled in public housing and help them to age in place. In addition to Seattle, housing authorities in Cambridge, Massachusetts, St. Paul and Minneapolis, Minnesota, and Miami-Dade County, Florida, have been leaders in this field. Despite our best efforts, however, health-related requirements and inadequate resources continue to hamper these efforts. Where programs are most successful, they combine resources across federal programs, bring in local resources, and assemble a patchwork of services to bring in the wrap-around care so necessary to help seniors age in place. We believe that “Elderly Plus” could

go a long way toward facilitating easier coordination and better services for our lowest-income elderly and disabled residents.

Let me tell you about one such program in Seattle. We are engaged in the redevelopment of several of our public housing communities using HOPE VI grants from HUD. We are furthest along with redevelopment activities at NewHolly. The centerpiece of the NewHolly redevelopment's Phase II is a living environment designed with the needs of the elderly in mind, the Elder Village. The 318-unit village, which is nearing the end of construction, is being developed in partnership with two nonprofit agencies whose specialty is housing and care of the elderly: the Providence Health Systems and the Retirement Housing Foundation. The Elder Village combines resources from public housing, Section 202, the Low Income Housing Tax Credit, and non-profit groups to provide service-rich environment for low incomes residents with a variety of service needs.

The Elder Village takes advantage of a flat space adjacent to a planned park, and will be close to a grocery store and public transit. Community spaces will allow residents to meet, interact, and participate in activities. Garden space will be available for tenants to grow flowers and vegetables. Three apartment buildings plus a commons area will make up the Elder Village.

Peter Claver House is an 80-unit apartment residence for independent seniors that will have a full-time manager. The Providence Health Systems project will emphasize coordination, helping residents and their families obtain needed services such as in-home assistance or nursing care, and financial assistance such as Medicare and Medicaid.

Providence Health Systems obtained a federal Section 202 grant for construction of Peter Claver House. Section 202 will provide operating subsidies that will keep the units affordable for low-income seniors for 40 years. Tenants will pay the equivalent of 30 percent of their incomes.

Next door, the Retirement Housing Foundation will build the Esperanza Apartments, with 84 studio and one- and two-bedroom units for seniors, all of which will be wheelchair-accessible. Esperanza will provide an independent living environment in one building. It will be reserved for residents 62 years and older who earn no more than 60 percent of the median gross income.

Next to Esperanza will be the Park Place Assisted Living Facility. The 154-unit building will offer assisted living for persons 62 and older who are no longer able to live independently. The center of the complex, the Commons Building, will feature a large dining room overlooking an exterior courtyard, a club room, gift shop, computer room, fitness room, exam rooms, art studio, beauty shop, and offices centered around an atrium café with a skylight.

Let me tell you how this facility will contribute to the quality of life of just one of our older residents. Ernestine White is currently living in our old-style public housing, but is scheduled to move into the Elder Village next month. Mrs. White has been a resident in our public housing for over 20 years. She raised her children here while working full time. This African-American woman wants to stay in the neighborhood she has grown to love, but she is beginning to slow down. She moves very deliberately and uses a cane, but she still gets around. She still lives in housing that includes steps and was designed for family living.

She is looking forward to her move to the Elder Village. In her new home, she will no longer have to negotiate the stairs every day. As she grows older, she will be able to contract for in-home services if she needs them—housekeeping, meals and laundry service, for example. Lately, she has depended on the telephone to keep up her relationships with friends and neighbors, but now she'll be able to meet them down the hall, or in the community room. Shopping and other services will be close by.

As all Americans grow older, we experience barriers related to mobility and physical limitations. In our Elder Village, with limited assistance, people like Ernestine White will be able to stay in their own neighborhoods. As she gets older, the services she needs, such as case management and visiting nurse service, will be readily accessible to her.

3. Update on the Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century

In an attempt to better understand the issues and prepare for the future needs of appropriate, affordable housing and health services for the elderly, this Subcommittee was principally responsible for establishing the Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century.

I was honored to be appointed as one of the Commissioners earlier this year, and am pleased to report that we began work on the mandate given to us by this subcommittee and Congress. Because it took one year longer than anticipated for Congress to appoint Commission members, I am pleased Chairwoman Roukema and Ranking Member Frank introduced H.R. 1850, legislation to extend the Commission's reporting deadline and termination date by one year (and I understand the full House will be taking up that legislation very soon).

In organizing the work of the Commission, we divided our seven-point mandate among three task forces: Financing Strategies, Housing and Health Strategies, and Needs Assessment. Under the guidance of the task forces, we are initiating a national dialogue on affordable housing and healthcare needs and how best to address those needs through a series of fact-finding hearings across the country beginning later this month in Syracuse, New York. Part of the focus of this meeting will be to examine the critical role of public housing plays in housing our poorest elderly and disabled.

We are pleased with the response so far. As we talk to individuals and groups, we are finding a deep interest in the work of the Commission, and we are confident that by the end of this process, we will deliver a product to Congress that will not only provide an accurate picture and projection of the state of the nation's senior's housing and health facility services environment, but will also provide practical policy recommendations for Congress to consider.

Conclusion

The inventory of public housing for the elderly and disabled is an extremely valuable asset which we cannot afford to neglect or abandon. Dramatic cuts to the Public Housing Capital Fund, like those currently proposed, would place our stock of housing for elderly and disabled residents in serious jeopardy. Instead, we need more resources and flexibility, as outlined in the "Elderly Plus" proposal, to enable seniors and disabled residents to age more comfortably in

their own homes. Using the successes we have already experienced in public housing for seniors as models, we need to continue to look for ways to wrap needed services into our facilities and programs, so that our elders are not displaced as their needs increase. I am convinced that we can do this if we apply unflagging commitment and the right resources to this problem.

Thank you for your on-going support and for the opportunity to appear before you today.